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SOUTH BEND-LAPORTE-ELKHART, INDIANA, MILK MARKET NEWS

Federal Order No. 67
U. S. Department of Agriculture
Agricultural Marketing Service
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Issued for Information of Producers
Who Are Not Members of Cooperative Associations

Vol. IV, No. 6

June 1960

MAY BASE PRICE \$3.73

Dairy farmers will receive a base price of \$3.73 for May 1960 deliveries of Grade A base milk to handlers under the South Bend-LaPorte-Elkhart, Indiana, milk order. The base price is based upon a butterfat test of 3.5 percent, and will be adjusted by a differential of 7 cents for each one tenth percent that tests vary above or below the 3.5 percent standard. This price is 3 cents less than the base price of May 1959.

MAY EXCESS PRICE \$3.00

May 1960 deliveries of Grade A excess milk to handlers under the South Bend-LaPorte-Elkhart, Indiana, milk order will be paid for at the rate of \$3.00 per hundredweight for 3.5 percent milk and adjusted by the same differential of 7 cents as is used for base milk. These minimum prices are subject to a 3 cent per hundredweight marketing service deduction, together with the authorized hauling charge. For comparative purposes, a uniform price of \$3.59 per hundredweight was computed, which is 13 cents less than the April 1960 uniform price and the same as the computed uniform price of May 1959.

PRODUCER RECEIPTS

An increase in producer receipts on a daily basis of almost 12 percent over April 1960 accounts for some of the drop in producer prices. In comparing with a year ago, the increase is 1.4 percent, and this is accomplished with 100 less producers on the market. Average daily herd production is up to an all time high of 710 pounds for this delivery period, which is 65 pounds higher than a year ago.

CLASS I SALES

Sales of Class I products are falling behind the Class I sales of a year ago. In April the sales were 4 percent less than the previous year and in May 5 percent less than in 1959. The sales in May are also about 5 percent less than in April of this year. Class I utilization of producer receipts was only 62.3 percent, which is the lowest percentage since June of 1958. The drop in sales is only recent, because over the first five months of this year one half million more pounds of Class I have been sold than in 1959.

CLASS I PRICE

The Class I price for the June 1960 delivery period will be \$3.92 per hundredweight for 3.5 percent milk. This price was computed by adding \$0.90 per hundredweight to the average price of the 12 condenseries in May (\$3.00) and adding the supply-demand adjustment of 2 cents. The supply-demand adjustment for the July 1960 delivery period will be a minus 4 cents.

ORDER NO. 67 PRICES

Class Prices and Uniform Prices Per Cwt. for 3.5% Milk
Average Prices For the Years 1953-1957 And by Months From 1958 To Date

Year and Month	CLASS I			CLASS II		CLASS III	UNIFORM PRICES	
	Differ- ential	Supply Demand	Milk Price	Differ- ential	Milk Price	Milk Price	Milk Price	B. F. Differ ential
1953	\$ 1.10	\$- .105	\$4.370	\$ --	\$ --	\$3.141	\$4.107	\$.079
1954	1.10	- .243	3.930	--	--	2.874	3.636	.072
1955	1.10	- .134	4.000	--	--	3.018	3.785	.069
1956	1.22	- .049	4.277	--	--	3.118	4.005	.071
1957	1.10	- .177	4.060	.59	3.688	3.126	3.833	.071
<u>1958</u>								
Jan.	\$ 1.10	\$- .18	\$4.066	\$.70	\$3.846	\$3.133	\$3.920	\$.071
Feb.	1.10	- .18	4.053	.70	3.833	3.110	3.880	.071
Mar.	.90	- .18	3.830	.45	3.560	3.082	3.620	.071
Apr.	.90	- .18	3.802	.45	3.532	2.956	3.570*	.069
May	.90	- .18	3.676	.45	3.406	2.896	3.340*	.069
June	.90	- .18	3.616	.45	3.346	2.890	3.290*	.069
July	.90	- .18	3.610	.45	3.340	2.921	3.400*	.069
Aug.	1.30	- .24	3.980	.70	3.620	2.960	3.810	.070
Sept.	1.30	- .24	4.020	.70	3.660	3.000	3.910	.072
Oct.	1.30	- .02	4.280	.70	3.700	3.040	4.140	.070
Nov.	1.30	+ .16	4.500	.70	3.740	3.050	4.290	.070
Dec.	1.10	+ .18	4.330	.70	3.750	3.070	4.150	.072
Av.	\$ 1.08	\$- .118	\$3.980	\$.60	\$3.611	\$3.009	\$3.777	\$.070
<u>1959</u>								
Jan.	\$ 1.10	\$+ .06	\$4.23	\$.70	\$3.770	\$3.060	\$4.060	\$.069
Feb.	1.10	+ .06	4.22	.70	3.760	3.060	4.020	.069
Mar.	.90	+ .08	4.04	.45	3.510	3.010	3.830	.069
Apr.	.90	+ .08	3.99	.45	3.460	2.950	3.780*	.069
May	.90	+ .04	3.89	.45	3.400	2.920	3.590*	.069
June	.90	+ .06	3.88	.45	3.370	2.910	3.620*	.070
July	1.10	+ .04	4.05	.45	3.360	2.930	3.860*	.070
Aug.	1.30	+ .02	4.25	.70	3.630	2.960	4.030	.072
Sept.	1.30	+ .08	4.34	.70	3.660	3.020	4.170	.075
Oct.	1.30	+ .12	4.45	.70	3.730	3.100	4.230	.075
Nov.	1.30	+ .14	4.54	.70	3.800	3.150	4.270	.077
Dec.	1.10	+ .12	4.37	.70	3.850	3.150	4.130	.074
Av.	\$ 1.10	\$+ .075	\$4.188	\$.60	\$3.608	\$3.018	\$3.966	\$.072
<u>1960</u>								
Jan.	\$ 1.10	\$- .04	\$4.21	\$.70	\$3.850	\$3.13	\$3.960	\$.070
Feb.	1.10	- .06	4.17	.70	3.830	3.12	3.950	.070
Mar.	.90	- .06	3.96	.45	3.570	3.09	3.780	.070
Apr.	.90	- .06	3.93	.45	3.540	3.03	3.720*	.070
May	.90	- .02	3.91	.45	3.480	3.00	3.590*	.070
June	.90	+ .02	3.92	.45	3.450			

* The price shown here is the weighted average of the base price and the excess price.

UTILIZATION AND CLASSIFICATION OF MILK

CLASS I	May 1960 Reported Data		May 1959 Audited Data	
	Product Pounds	Butterfat Pounds	Product Pounds	Butterfat Pounds
Milk	13,686,965	486,658	14,363,764	509,180
Skim Milk	201,112	540	161,781	303
Fortified Skim Milk	1,105,676	23,419	1,289,542	26,104
Buttermilk	158,378	1,441	180,949	1,843
Flavored Milk & Drink	520,551	15,532	517,584	15,158
Cereal Mixture	256,512	31,398	309,170	38,109
Coffee Cream	21,532	4,296	31,186	6,231
Whipping Cream	35,069	13,080	46,653	17,152
Sour Cream	23,421	4,634	14,076	2,748
Eggnog	--	--	51	3
Total Class I Utilization	16,009,216	580,998	16,914,756	616,831
Add: Class I Shrinkage	95,600	10,567	95,043	7,085
Subtract: Other Source Receipts	--	--	--	--
Subtract: Overage	1,200	--	--	--
Net Class I	16,103,616	591,565	17,009,799	623,916
CLASS II				
Used to Produce Cottage Cheese	1,389,314	15,958	1,445,642	15,074
Subtract: Other Source Receipts	--	--	--	--
Subtract: Overage	--	--	--	--
Net Class II	1,389,314	15,958	1,445,642	15,074
CLASS III				
Class III Products	7,910,280	344,416	6,664,201	292,271
Inventory Variation	224,236	11,832	328,723	6,154
Total Class III Utilization	8,134,516	356,248	6,992,924	298,425
Add: Class III Shrinkage	354,251	17,113	202,401	14,528
Subtract: Other Source Receipts	119,161	8,838	149,245	13,293
Subtract: Overage	7,230	10	8,406	73
Net Class III	8,362,376	364,513	7,037,674	299,587
TOTAL PRODUCER RECEIPTS	25,855,306	972,036	25,493,115	938,577

MISCELLANEOUS INFORMATION

	May 1960	April 1960	May 1959
Average Daily Production	834,042#	746,605#	822,359#
May 1960 Production Compared With -	--	+ 11.71%	+ 1.42%
Class I Daily Average	516,426#	542,038#	545,637#
May 1960 Sales Compared With -	--	- 4.73%	- 5.35%
Number of Producers	1,174	1,174	1,274
Daily Herd Production	710#	636#	645#
Av. Test of Producer Milk Received	3.75952%	3.88645%	3.68169%
Total Value Paid Producers	\$975,870.82	\$896,588.29	\$946,813.62
Av. Monthly Milk Check Per Farm	\$ 831.24	\$ 763.70	\$ 743.18
Av. Daily Milk Check Per Farm	\$ 26.81	\$ 25.46	\$ 23.97

RECEIPTS AND CLASSIFICATION OF PRODUCER MILK

<u>Year</u>	<u>CLASS I</u>		<u>CLASS II</u>		<u>CLASS III</u>		<u>Total Producer Receipts</u>
	<u>Pounds</u>	<u>Percent</u>	<u>Pounds</u>	<u>Percent</u>	<u>Pounds</u>	<u>Percent</u>	
1953	7,342,338	75.6	--	--	2,369,395	24.4	9,711,733
1954	7,272,928	70.4	--	--	3,058,935	29.6	10,331,863
1955	8,692,563	76.3	--	--	2,695,649	23.7	11,388,212
1956	10,125,716	75.4	--	--	3,302,901	24.6	13,428,617
1957	11,720,328	70.8	1,107,967	6.7	3,725,823	22.5	16,554,118
<u>1958</u>							
Jan.	12,421,993	78.0	1,207,200	7.6	2,287,650	14.4	15,916,843
Feb.	10,961,276	74.6	1,188,797	8.1	2,536,701	17.3	14,686,774
Mar.	11,777,301	69.4	1,332,925	7.8	3,865,790	22.8	16,976,016
Apr.	11,446,743	66.7	1,324,083	7.7	4,377,875	25.6	17,148,701
May	11,496,472	55.5	1,320,121	6.4	7,895,482	38.1	20,712,075
June	10,219,240	52.2	1,427,278	7.3	7,931,209	40.5	19,577,727
July	10,864,823	64.6	1,610,135	9.6	4,352,884	25.8	16,827,842
Aug.	15,936,403	80.1	1,374,096	6.9	2,586,484	13.0	19,896,983
Sept.	16,553,043	85.0	1,401,002	7.2	1,512,909	7.8	19,466,954
Oct.	17,669,313	84.7	1,427,728	6.9	1,752,656	8.4	20,849,697
Nov.	16,198,889	82.0	1,132,901	5.7	2,420,067	12.3	19,751,857
Dec.	16,659,844	81.9	979,123	4.8	2,704,318	13.3	20,343,285
Av.	13,517,112	73.0	1,310,449	7.1	3,685,335	19.9	18,512,896
<u>1959</u>							
Jan.	16,988,480	81.2	1,084,208	5.2	2,853,643	13.6	20,926,331
Feb.	15,239,825	78.9	1,053,372	5.5	3,017,745	15.6	19,310,942
Mar.	16,463,653	76.1	1,146,541	5.3	4,014,965	18.6	21,625,159
Apr.	16,278,936	76.8	1,218,411	5.7	3,705,029	17.5	21,202,376
May	17,020,842	66.8	1,476,387	5.8	6,996,009	27.4	25,493,238
June	16,143,898	69.5	1,625,641	7.0	5,452,167	23.5	23,221,706
July	16,656,834	80.0	1,257,357	6.1	2,898,176	13.9	20,812,367
Aug.	16,205,279	80.1	1,098,487	5.4	2,938,472	14.5	20,242,238
Sept.	17,271,583	84.0	1,107,034	5.4	2,182,542	10.6	20,561,159
Oct.	18,015,868	79.9	1,346,159	6.0	3,175,402	14.1	22,537,429
Nov.	15,951,304	76.8	1,106,991	5.3	3,704,095	17.9	20,762,390
Dec.	16,843,414	76.0	1,017,108	4.6	4,293,444	19.4	22,153,966
Av.	16,589,993	76.9	1,211,475	5.6	3,769,307	17.5	21,570,775
<u>1960</u>							
Jan.	16,630,974	72.7	1,303,077	5.7	4,946,776	21.6	22,880,827
Feb.	16,117,168	73.6	1,345,884	6.2	4,424,792	20.2	21,887,844
Mar.	17,371,361	75.1	1,512,205	6.5	4,260,340	18.4	23,143,906
Apr.	16,321,608	72.9	1,491,301	6.7	4,585,248	20.4	22,398,157
May	16,103,616	62.3	1,389,314	5.4	8,362,376	32.3	25,855,306